



Philadelphia Home Ownership Center

U.S. Department of Housing and Urban Development

The Wanamaker Building
100 Penn Square East
Philadelphia, PA 19107-3389

November 13, 2000
(REVISED: 09-06-06)

CIRCULAR LETTER PH 00-08

TO: All Approved Mortgagees Doing Business in Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia

FROM: Engram A. Lloyd, Director, Homeownership Center

SUBJECT: Mortgage Insurance Certificate (Endorsement) Corrections

We are announcing in this circular letter revised procedures and instructions for the processing of requests for Electronic Endorsement corrections. We will no longer issue MICs and/or duplicate MICs. These requests represent a significant volume of work for the Home Ownership Center - in excess of 1,000 requests per month - and our ability to provide an appropriate level of service has become a concern for Home Ownership Center and mortgagee staff alike.

In response, we are announcing the following changes effective November 17, 2003. This is in accordance with the Mortgagee Letter 2003-17, issued on October 16, 2003.

Submitting Endorsement Correction Requests

1. All requests for Endorsement corrections will be processed by the Home Ownership Center's Processing & Underwriting Division. Requests for Endorsement Corrections must be mailed to the following address:
U.S. Dept. of HUD
100 Penn Square East
Philadelphia, PA 19107
ATTN: Underwriting/Insurance Branch

Any Endorsement correction requests submitted to the Home Ownership Center's Processing and Underwriting Division in Philadelphia, or to any other office in the Philadelphia HOCs jurisdiction, will be

forwarded to the above address via regular mail.

2. Endorsement correction requests must be submitted in writing only. No response will be issued to requests submitted via facsimile or e-mail, unless mortgagees have been instructed by Philadelphia HOC.
3. Endorsement correction requests must include a completed copy of the Philadelphia Home Ownership Center's Endorsement Correction Request Form (see Attachment 1), along with a copy of the supporting documentation referenced on the Request Form. Mortgagees have been empowered to utilize the FHA Connection screens check the status and validity of the requested change(s). Endorsement Correction requests lacking the Request Form and/or other documentation required will be returned to the mortgagee via regular mail.

Endorsement Correction Processing Times

Mortgagees should allow three (3) business days from the date they mail the Endorsement correction request before checking the status and/or correction on the connection. Please do not contact the Processing and Underwriting Division in Philadelphia for status reports. Please allow ten (10) business days to pass before sending in a second request.

Additional Guidance On Endorsement Corrections

Mortgagees are responsible for almost all data entry in connection with FHA-insured loans. To the extent that Endorsement corrections are required, it is largely because the data entered by mortgagees is incorrect or inconsistent. Because Endorsement corrections represent a burden to mortgagees and HUD alike, there are steps mortgagees can take to reduce the need for corrections.

1. Try to Get It Right the First Time

We can sympathize with the pressures of business, and the need to move the loan as expeditiously as possible. By and large however, it doesn't take much more time to enter data correctly the first time. Try to impress upon the staff entering data that accuracy is important.

2. Try to Correct Your Data As You Go

At each stage of processing, try to compare new documents with data previously entered. For example, if, when logging the appraisal, you notice that the initial address entered was incorrect, make the change then. FHA Connection provides the opportunity to correct data at virtually any stage in processing up to endorsement.

Post-closing staff should be encouraged to review the data previously entered at the time closing data is entered, and to resolve errors and inconsistencies at that time. Many Endorsement correction requests are submitted because investors note inconsistencies in the documentation at the time they purchase the loan. In most instances, those inconsistencies should have been detected by post-closing staff prior to submitting the case to HUD for endorsement.

3. Remit Any Additional Up Front Mortgage Insurance Premium (UFMIP) Required Prior to Requesting an Endorsement Correction

For loans involving UFMIP, mortgagees should be mindful that an increase in the loan amount will require additional UFMIP. Until this additional UFMIP has been remitted, we will be unable to make the correction requested. Mortgagees are also reminded that a change in the ADP code, from 734 to 703 for example, will trigger a requirement for UFMIP. If it has not been remitted, the correction to the endorsement data can not be made

Our Processing & Underwriting Division will be tracking Endorsement correction requests by mortgagee ID number. Those mortgagees who consistently submit an excessive number of Endorsement correction requests may be subject to additional post-endorsement technical reviews, and/or requirements to increase their own quality control and training efforts, and/or other measures.

We appreciate your cooperation in complying with these policies. If you have any questions or comments, please direct them to (800) CALLFHA.

Attachments

Attachment 1

REQUEST FOR ENDORSEMENT CORRECTION**DATE:** _____

TO: U.S. Dept. of HUD
100 Penn Square East
Philadelphia, PA 19107
ATTN.: Underwriting/Insurance Branch

FROM: _____
 Mortgagee

 Mortgagee Address

 Mortgagee Contact Person and Telephone Number

FHA CASE NO. _____**CORRECTIONS REQUESTED****REQUIRED DOCUMENTATION****ADP CODE:** _____

Copy of note

BORROWER TYPE: _____**BORROWER NAME:** _____**COBORROWER NAME** _____**BORROWER SSN:** _____

Copy of driver's license/ other ID w/SSN

COBORROWER SSN _____

Copy of driver's license/ other ID w/SSN

HOUSE # _____

Copy of note

STREET NAME _____

Copy of note

CITY NAME _____

Copy of note

ZIP CODE _____

Copy of tax receipt or map

MORTGAGE AMOUNT _____

Copy of note

MONTHLY P&I _____

Copy of note

1ST PAYMENT DATE _____

Copy of note

MATURITY DATE _____

Copy of note

INTEREST RATE _____

Copy of note

LOAN TERM _____

Copy of note

MORTGAGEE ID NO _____
 (10 digit)

Copy of transfer letter

cc: 3AHH Lloyd/Laroche
3AHP Glavey
3AHO Severe
3AHO Caulfield
3AHO area
3AHO chron

3AHO:CAULFIELD:pc 11/01/00 x3351

Word Document: CL PH 00-08

3AHO	3AHP	3AHH
Caulfield	Glavey	laroche